

PRELIMINARY DISCUSSION DRAFT  
FOR REVIEW AT TARIFF INTEGRATION CONTENT GROUP MEETING - 2/7/01

**Description of RTO West Service**

**Overview**

The descriptions of Transmission Services set forth in Section I below are intended as definitions of each service to be offered by RTO West to be included in the preamble to the Tariff. The Tariff will also contain a more detailed section setting forth the terms and conditions of receipt of each service as well as a section on “Common Service Provisions” that sets forth terms and conditions common to all the services. This summary is intended to provide an overview of the services in non-Tariff language.

The primary service RTO West will offer is “Transmission Use Service.” All Eligible Customers of RTO West may take Transmission Use Service, although a Scheduling Coordinator must submit all schedules. This service permits movement of power over the RTO West transmission grid whether the use is for (i) delivery to loads within the RTO West (including loads within “islands”<sup>1</sup>), whether from sources within RTO West or from imports, (ii) exports off the grid from sources within RTO West, or (iii) through-service transferring power to loads outside RTO West from sources outside RTO West.

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<sup>1</sup> An “island” is transmission system that interconnects only with RTO West or with RTO West and systems whose interconnections are completely within RTO West.

Two other services—Generator Interconnection and Integration Service and Load Integration Service— provide, respectively, the right to put power on the RTO West grid, or take power off the grid for consumption by loads.

Load Integration Service permits loads interconnected to the facilities of the RTO West Executing Transmission Owners to take delivery of power (energy and capacity) for consumption. This service also includes the right to use the grid to deliver power for consumption by loads within islands. Load Integration Service is provided to loads in exchange for payment of the Company Rate by the load.

Generator Interconnection and Integration Service permits generators to physically interconnect with the facilities of an Executing Transmission Owner and obtain from RTO West the right to put power on the RTO West grid, upon execution of an integration agreement with RTO West setting forth operational requirements required of all RTO West interconnected generators. Generators will pay direct costs associated with interconnection.

A final transmission service provides Executing Transmission Owners with transmission service necessary to fulfill the Owner's obligations to its customers with pre-existing contracts that the customer has not converted to RTO service. Non-converted service is limited to the terms, conditions, amount of transmission capacity and use of facilities identified in the pre-existing contract.

## **Tariff Provisions**

The initial RTO West Tariff will offer the following two categories of services—  
Transmission Services and Ancillary Services—upon the terms and conditions set forth therein:

[Drafters' Note: TOA definition of "Transmission Services" states that "Ancillary Services" are not included within "Transmission Services."]

**I.     Transmission Services** means the following Transmission Services:

[Drafters' Notes: These services are subject to FERC's review and approval, based on a finding that such services are consistent with Order 2000.]

1.     "Load Integration Service" provides operational integration of Company Loads and other Eligible Loads with the RTO West Transmission System subject to the requirements set forth in the RTO West Tariff, including execution of a Load Integration Agreement with RTO West. Eligible Loads are loads interconnected with RTO West or only with RTO West and other transmission systems whose interconnections are with RTO West. This service also provides access to the RTO West Transmission System to serve Company Loads or other Eligible Loads. This service is available to Eligible Customers with Company Loads and other Executing Transmission Owners with statutory or contractual obligations to serve Eligible Loads. Eligible Loads receive FTR allocations as set forth in Section \_\_\_\_ and pay the Company Rate, for which they will receive Load Integration Service and Transmission Use Service.

[Drafters' Notes: Whether or not some or all of the RTO Uplift Charge will be paid by Company Loads is to be determined by RTO West. Reference: "The filing utilities propose to recover all costs of ownership and operation of their transmission facilities through a load-based access charge." 10/23/00 Filing at 35. "[T]he RTO uplift charge . . . will be imposed on loads or on transactions throughout the RTO West area." 10/23/00 filing at 38. "RTO West will have absolute discretion to set its own rate with respect to uplift charges, congestion management fees and losses." 10/23/00 filing at 66. Reference: The Eligible Load definition is based on the IndeGO definition of an "Island System." The definition should be reviewed and discussed again.]

2. "Transmission Use Service" provides use of the transmission capacity on the RTO West Transmission System. This service is available to all Transmission Customers subject to payment of any applicable Company Rate, Transfer Charge or Access Charge. Transmission Customers may use transmission capacity to transmit electric energy and make available electrical capacity to others. Transmission Customers must schedule service through a Scheduling Coordinator and comply with Scheduling Requirements, including where necessary submission of FTRs, RTRs or NTRs.

[Drafters' Notes: Whether or not some or all of the RTO Uplift Charge will be paid for by users of the transmission grid other than loads is to be determined by RTO West. References re: allocation of costs: 10/23/00 Filing letter at 35; TOA—Section 14.2 and definition of Access Charge.; Ex. H for Transfer Charge. Reference relevant to choice of the term "RTO West System" instead of "RTO West Controlled Transmission Facilities": TOA definition of RTO West System explains that the term refers to the "Transmission Facilities" of all Executing Transmission Owners, whereas "Transmission Facilities" refers to each individual Owner's facilities. "Transmission Facilities" must include "RTO West Controlled Transmission Facilities" and may include additional facilities. Therefore, the term "RTO West Transmission System" is more inclusive than the term "RTO West Controlled Transmission Facilities."]

3. "Service Under Non-Converted Transmission Agreements of Executing Transmission Owners" provides transmission services to Executing Transmission Owners to enable such Owners to fulfill the Executing Transmission Owners' obligations under Non-Converted Transmission Agreements. This service is available to Executing Transmission

Owners only to meet contractual obligations to entities that are not affiliated with such Executing Transmission Owners and that have not agreed to suspend or terminate existing service obligations and replace such service with Load Integration Service or Transmission Use Service with RTO West. Non-converted transmission service is limited to the specific terms of the pre-existing contract except to the extent that the Executing Transmission Owner is able to negotiate appropriate modifications to procedures specified in the Non-Converted Transmission Agreements to achieve consistency with RTO West operating procedures. Non-converted transmission service is also limited to the amount of transmission capacity contracted for in the Non-Converted Transmission Agreement. Such service only provides for use of transmission facilities of the Executing Transmission Owners subject to any limitations set forth in the Non-Converted Transmission Agreements. The scope of this service provided may not be expanded.

[Drafters Notes: Reference: TOA Sections 5.2.1 and 6.3. It is not determined how the cost of this service will be recovered. For example, the RTO could charge the Executing Transmission Owner the actual cost to the RTO of providing the service with the owner retaining the contract revenues; or actual cost could be spread to all loads through the RTO uplift charge with the owner passing-through revenues received under the Pre-existing contract to the RTO.]

4. “Generator Interconnection and Integration Service” provides interconnection of electric generation facilities to the RTO West Transmission System subject to the requirements set forth in the RTO West Tariff, including execution of a Generator Integration Agreement with the RTO and a Generator Interconnection Agreement with the Executing Transmission Owner to whose transmission facilities the generation facilities are interconnecting. This service is available to any generator interconnecting to or interconnected with the RTO West Transmission System. Access to transmission capacity on RTO West Transmission System for the delivery of

electrical capacity and energy is not provided under this service and must be obtained under Transmission Use Service.

[Drafters Note: Only direct costs would be charged for interconnection service, e.g. application processing charge, costs for performing necessary studies, and costs of any required upgrades or facility additions.]

**II. Ancillary Services** means those services that are necessary to support the use of RTO West's Transmission Services and will include all ancillary services a transmission provider is required by FERC [or the BC Regulatory Authority] to provide[, while maintaining reliable operation of the RTO West Transmission System [and the BC IGO Transmission System] in accordance with Good Utility Practice].

[Drafters' Note: The Tariff language defining Ancillary Services will be revisited after the Ancillary Services workgroup has an opportunity to review Stage 1 work. A list of Services is set forth in Attachment N to the 10/23/00 Supplemental Filing and the Ancillary Services workgroup draft Exhibit D provides a preliminary draft of the Tariff appendix.]